



Infrastructure Spotlight

Exploring the public infrastructure
landscape across the Cayman
Islands and The Bahamas

KPMG Islands Group

September 2023



Preface

The past few years have been challenging for island Governments, many of which were significantly impacted by the loss of tourism revenue as a result of Covid-19. However, trends such as remote working, innovation in farming, sustainable sources of energy, and economic diversification have provided opportunities for growth and inward infrastructure investment.

Enabling societies to grow in a more equitable way by reducing vulnerabilities and strengthening economies is the starting point for bold and decisive action. Jurisdictions which are able to truly reimagine the way we live and work are setting a trajectory for building a better reality for their citizens.

KPMG is proud to have worked with many island jurisdictions over several decades to respond to public needs, support economic growth and diversification, comply with extra-territorial requirements, and transform services through digital enablement. We look forward to continuing the journey with our clients to a better future.



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A photograph of a paved road winding through a tropical landscape. The road is flanked by lush greenery, including a dense line of palm trees on the right and various tropical plants on the left. The sky is bright blue with scattered white clouds. A dark blue rectangular box is overlaid on the lower portion of the image, containing white text.

01

The infrastructure landscape

The infrastructure landscape

What is infrastructure?

Infrastructure is the backbone of society. Our transport, energy and digital networks form the cornerstones of economic growth. Our health, education, tourism, sports and recreational facilities underpin the fabric of society.

Infrastructure is the foundation on which civilization is built. It supports communities and has the power to significantly impact societies' quality of life. Appropriate investment in infrastructure is key to the survival of communities in the face of challenges that exist in the modern world. From global pandemics to climate change, the need for reliable and resilient infrastructure is vital.

The need to improve existing and develop new infrastructure is heightened in island communities where resources are constrained and under pressure from factors such as population growth, the impact of natural disasters and climate change, and reliance upon external supply chains.

The Cayman Islands and The Bahamas are among the most vulnerable countries in the world to the effects of sea-level rise and increasing ocean temperatures, and it is therefore pivotal for these islands to factor sustainability into their infrastructure strategies and work towards achieving the United Nations' ("UN") Sustainable Development Goals ("SDGs").

In the pursuit of developing sustainable infrastructure, digital innovation has the power to serve as a catalyst for modernizing public infrastructure, streamlining processes and enhancing efficiency. Digital transformation including investment in new and evolving technologies such as the Internet of Things, Artificial Intelligence and data analytics tools can leverage public sector infrastructure development, heightening system resilience and broadening societal access to essential facilities.



“
Infrastructure has the potential to influence the achievement of up to 92% of all the targets of the United Nations' Sustainable Development Goals. (1)
”

Source: (1) Infrastructure for SIDS 2020, UNOPS



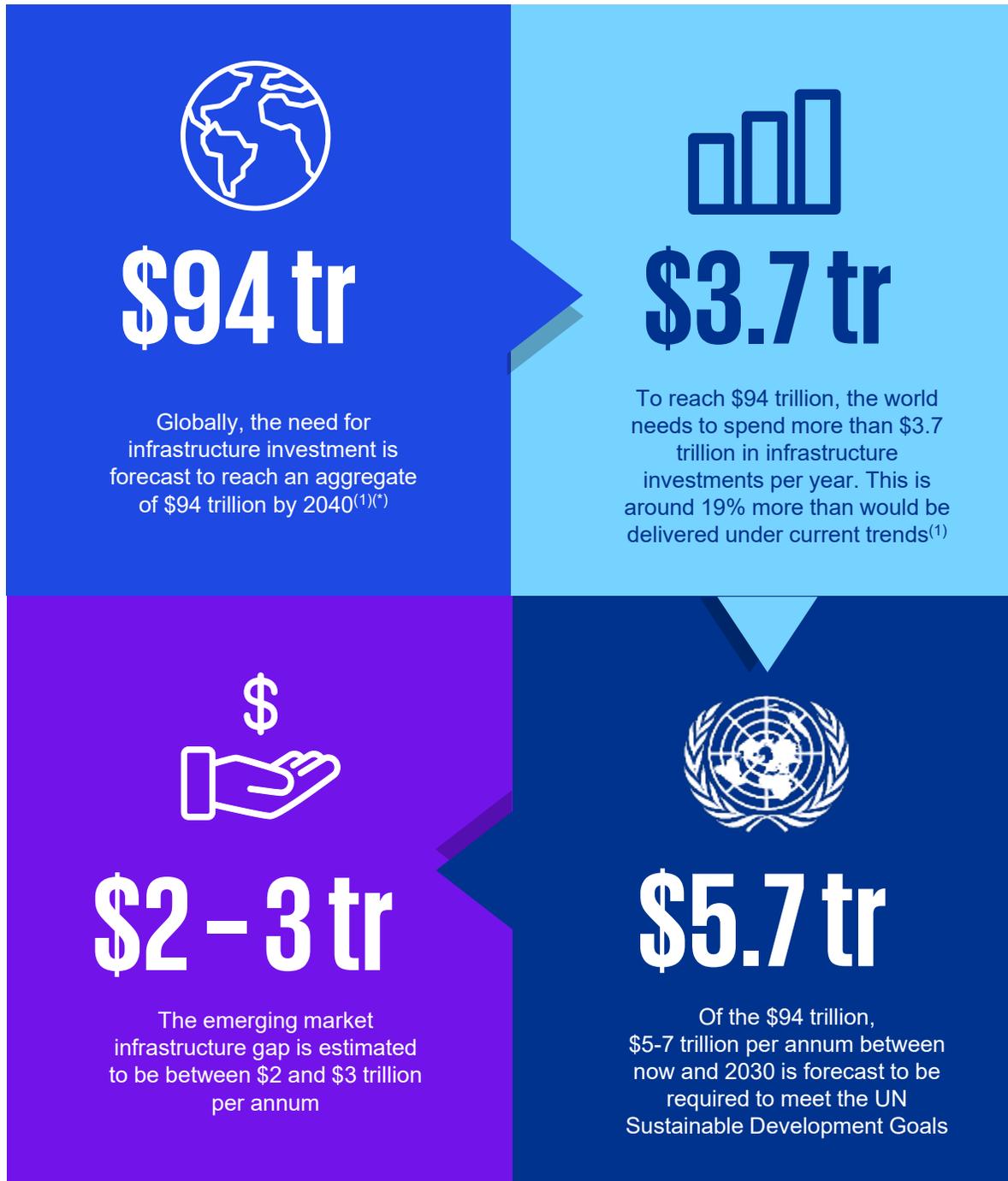
**“ In a world of eroding trust,
infrastructure can
be the tissue that connects people
with government. ”**

Emerging trends in infrastructure - KPMG International, 2023

The infrastructure landscape

Global infrastructure: future opportunity

Future infrastructure need is directly correlated to the rate at which an economy grows. Oxford Economics reports that the infrastructure investment gap is proportionately largest for the Americas, estimated to be **47%** (compared to 19% for the world) ⁽¹⁾.



(1) Global Infrastructure Outlook 2040, Oxford Economics

(*) Amounts presented in US dollars throughout

The infrastructure landscape

Our selected markets

This publication sets out the infrastructure landscape in the Cayman Islands and The Bahamas noting their significance as major international financial centers and tourist destinations, aiming to assess the critical role of robust infrastructure in supporting economic growth and sustainable development in these unique island nations.

The Cayman Islands:

The Cayman Islands (a British Overseas Territory) face multi-faceted challenges, which have been magnified by the unprecedented population growth experienced in recent years. At December 31, 2022, the population was estimated at 81,546, marking a 14% increase in just over a year, since the completion of the Census of Population and Housing in October 2021⁽¹⁾. Such growth in a short period of time has put extreme pressure on infrastructure and resources on the islands. As a result, a large portion of the islands' infrastructure is operating at, or past, capacity. Now, more than ever, there is a need to implement an inclusive, sustainable, and environmentally conscious infrastructure investment strategy and action plan.



The Bahamas:

An archipelago with over 3,000 islands and cays, of which 30 are inhabited, The Bahamas' 3,860 square mile land area spans over 100,000 square miles of ocean, presenting unique challenges when it comes to infrastructure needs and development. The Bahamas is a member of the Small Island Developing States (SIDS) regional body, which recognizes that due to their size and locations, these island nations share common social, economic, and environmental challenges.

Source: (1) The Strategic Policy Statement (2024-2026) and the census of Population and Housing of the Cayman Islands (2021)

The infrastructure landscape

Infrastructure: our focus

Infrastructure investment is critical to the economic growth and development of island jurisdictions.

Many island nations face significant infrastructure deficits in key areas such as transportation, energy, education, and telecommunications. Without adequate investment, economic growth is constrained, and social and economic disparities are likely to widen. The correlation between infrastructure development and economic growth is evident. According to a study released by the Cayman Islands Economics and Statistics Office in 2019, the construction sector reported the largest economic multiplier (of 2.56x). This indicates that every \$1 of additional investment in construction activity resulted in a notable \$2.56 increase in the total output of the economy. The employment multiplier for the construction industry indicated that every \$1million of investment in construction resulted in employment for 16 additional workers across the economy⁽¹⁾.

Source: (1) The Economics and Statistics Office (eso.ky)

Infrastructure needs in the Cayman Islands and The Bahamas

The infrastructure needs of these islands are significant and varied. These jurisdictions face challenges related to transportation infrastructure, including inadequate road networks, ports, and airports. Energy infrastructure is also a key concern, with these islands relying heavily on imported fossil fuels and facing high electricity costs. Telecommunications infrastructure is often outdated and unreliable. There is also a shortage of education spaces due to historical population growth, in Cayman for example, outpacing the development and expansion of an adequate schooling provision. These infrastructure deficits limit economic activity and growth, particularly in sectors such as tourism, trade, and manufacturing.

Financing challenges

Challenges faced by the public and private sectors in financing infrastructure projects in these islands include: high construction costs, limited access to capital markets, regulatory barriers, and political risk.

In the Cayman Islands, for example, the high cost of construction materials and labor makes infrastructure projects particularly expensive.

The Bahamas faces challenges related to access to financing, with larger projects able to be part financed by local capital markets but there is a relatively small pool of domestic investors.

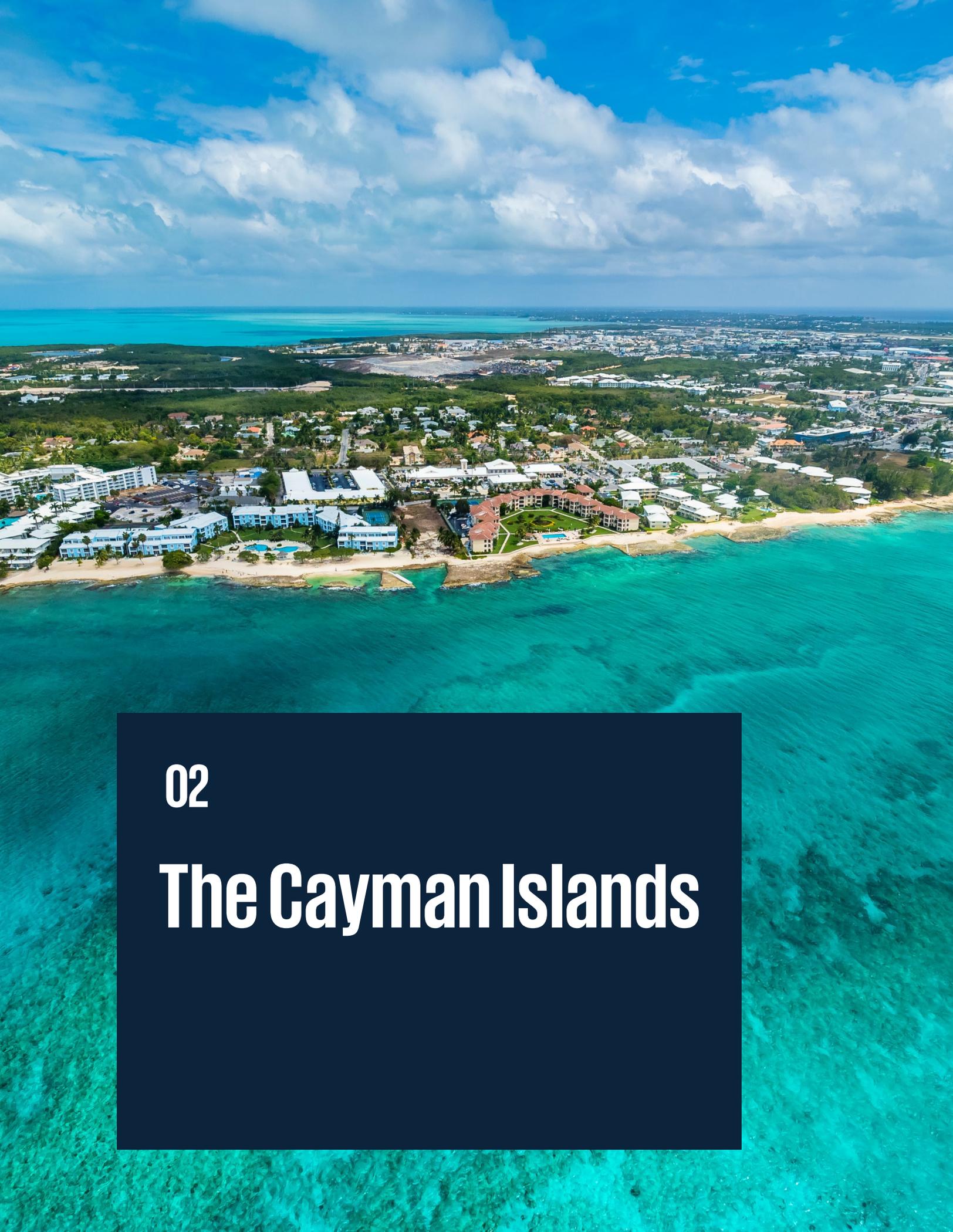
Financing solutions

A range of solutions are available, including traditional government funding, multilateral development banks (MDBs), and public-private partnerships (PPPs), as well as other innovative financing mechanisms. PPPs can be particularly effective in leveraging private sector investment to finance infrastructure projects while appropriately sharing risks and rewards between the public and private sectors. The Nassau Airport PPP in The Bahamas is a successful example of an infrastructure financing project in the region. The Cayman Islands are hoping to follow suit with their first major PPP project, Waste-to-Energy ("ReGen"), a long-term integrated solid waste management system, incorporating an energy from waste facility along with various recycling facilities to divert 95% of waste from landfill.

MDBs, like the Inter-American Development Bank (IDB), offer financing to improve accessibility to vital infrastructure and stimulate economic growth. In 2018, the IDB established a Country Strategy with The Bahamas (2018-2022) to strengthen public sector efficiency and foster resilient infrastructure development for sustainable growth⁽²⁾. The Cayman Islands does not meet the criteria for receiving this type of assistance and typically finances its projects through conventional government funding or PPPs.

Source: (2) The IDB Group Country Strategy with the Commonwealth of The Bahamas (2018-2022)





02

The Cayman Islands

The Cayman Islands

How infrastructure is created and managed

As a British Overseas Territory, the Cayman Islands Government (CIG) is led by the Governor as His Majesty’s representative, along with the Cabinet. Led by the Premier, there are seven Ministers, a Deputy Premier, and two non-voting ex-officio members. The Cabinet is the ultimate decision-making body of Government and therefore critical to infrastructure development in the Cayman Islands.

The key Ministries in relation to infrastructure development include:



Planning, Agriculture, Housing & Infrastructure



Sustainability & Climate Resiliency



Tourism & Ports



Investment, Innovation & Social Development

The Cayman Islands Public Works Department (“PWD”) acts as the Government’s project manager on infrastructure projects. The PWD is responsible for planning, development and management of all major Government infrastructure projects in the Cayman Islands.

Public infrastructure procurement process:

The procurement process is governed by *The Procurement Regulations, 2018*, which stipulates that procurement can only be initiated once the project has been fully appraised and the results documented in an approved business case. For projects over the value of US\$10m, the business case required needs to follow the prescribed format shown to the right. The OBC needs to be approved by Cabinet before procurement can commence.

The FBC needs to be approved by Cabinet before the final contracts can be signed with the preferred bidder(s).

A public notice of opportunity and a request for proposals will be issued on the public purchasing portal, “Bonfire” to allow bidders to submit proposals in order to ensure that the procurement process is competitive.

Refer to the procurement regulations on the Cayman Islands Government website at gov.ky



3. Full Business Case (“FBC”)

The final document details the outcome of the procurement process, final affordability and value for money check, contract details and comprehensive delivery plan and benefit realization.

1. Strategic Outline Case (“SOC”)

The initial planning stage sets out the concept, potential approaches and options, as well as the capacity and capability to deliver.

2. Outline Business Case (“OBC”)

A detailed appraisal of the available options, determines the best value for money solution, confirms funding and affordability, and details the management plan for delivery.



The Cayman Islands

The current state

\$58.2m

The operating surplus of CIG, FY22⁽¹⁾



14%

Population growth from the 2021 census to December 31, 2022. Latest population estimate of 81,546⁽²⁾

6.6%

Cayman Islands' Q1 2023 inflation rate ⁽³⁾

\$1.24bn

Total operating revenue generated by the core CIG in FY22⁽¹⁾

Key recent achievements

- Development of the new John Gray High School ("JGHS") (2023, c.\$85m)
- Long Term Residential Mental Health Facility ("LTRMHF") (2023, c.\$18m)
- Phase 1 of 3 of the 'East-West Arterial' road is currently under construction with an aim to reduce traffic congestion from the eastern districts of Grand Cayman.

2024-2026 SPS:

In May 2023, CIG released its updated Strategic Policy Statement (SPS) 2024-2026. This document sets out the policy priorities of the current Government and lays the foundation for the national budget. The goals are measured through broad and specific outcomes which are highlighted in the SPS.

CIG plans to make capital investments of \$122m in 2023 and a further \$366m throughout the SPS period (2024-2026). While infrastructure is woven through the majority of the Broad Outcomes (BO); *BO1: Improve Quality of Life for Caymanians and BO3: Future Proof to Increase Resiliency* are underpinned by the need for infrastructure investment to provide security and stability for generations to come.⁽¹⁾

BO1 aims to achieve renewable energy targets, and specifically cites the aim to launch an Affordable Housing Initiative in all districts, as well as expanding key road networks to mitigate the traffic congestion issue facing Grand Cayman in particular.

BO3 cites multiple infrastructure projects, for example the Waste-to-Energy project, school facility expansions, new facilities for disabled adults, as well as implementation of a new National Energy Policy.

A key theme echoed in the SPS is that of digital innovation. Advancing the Cayman Islands' capacities and capabilities through digital transformation of processes is a key focus for CIG. This transformation will involve both physical and digital infrastructure upgrades.

Refer to the SPS at: [SPS | Cayman Islands Government](#)

Infrastructure gap:

Population Growth: The recent and rapid population growth experienced by the Cayman Islands is putting pressure on infrastructure in all aspects of life. CIG are under pressure to implement and action appropriate planning strategies and investment to ensure a sustainable approach to infrastructure development is in place.

Affordable and Social Housing:

There is a shortage of affordable and social housing in the Cayman Islands.

The National Housing Development Trust ("NHDT") built 137 homes between 2010 and 2022 which has been insufficient to keep up with demand, as the current waiting list stands at 400 applicants⁽⁴⁾.

The NHDT are currently building an additional 19 homes and has planning approval for 81 more⁽⁵⁾.

Sustainability - In March 2023, the Office of the Auditor General issued a report detailing the Cayman Islands' performance against the UN Sustainable Development Goals, focused on the environment. Of the 47 targets identified, 16 were not assessed due to lack of data, and of the remaining 31 targets, only 6 were 'met' or 'on track'⁽⁵⁾. The Cayman Islands requires significant action to attain these goals and sustainable infrastructure development will be a key driver in its success.

Source: (1) Cayman Islands Government, SPS 2024-2026 (2) the ESO, Cayman Islands Government, KPMG analysis (3) Cayman Islands Inflation Rate, Trading Economics (Q1 2023, sourced 2 Aug 2023) (4) The Office of the Auditor General Cayman Islands (5) The Ministry of PAHI

The Cayman Islands Pipeline and horizon

Development planning and infrastructure investment is key to the long-term success in building a sustainable island community.

The first official Development Plan for the Cayman Islands was completed in 1971 after the passing of the Development and Planning Law, 1971. The Cayman Islands experienced a surge in population growth over a 10-year period from 1980 to 1990, growing from a population of c.20,000 to over 40,000. As a result, in 1991, the Cayman Planning Authority began a review of the original Development Plan which was revised and re-published in 1997 with a focus on controlling the rapid growth in population. This Plan is now 26 years old and is currently in the process of being redrafted by the Ministry of Planning, Agriculture, Housing & Infrastructure (“PAHI”), as part of the proposed National Planning Framework (Plan Cayman)⁽¹⁾. The population of Grand Cayman stood at 81,546 at December 2022, representing a 14% increase since the 2021 Census was published in October 2021. This rapid growth over a short period of time requires appropriate action to be taken with regards to infrastructure development.

In order to ensure the Cayman Islands’ infrastructure is sufficient to support the current and future population, the Cayman Islands Government and other private companies are working to continue development via the following planned projects.

Note: the following timeline is for illustrative purposes only and the actual order and timing of projects will differ. The budget estimates included below are indicative estimates only and have been obtained from publicly available information.

Source:
(1) Plan Cayman
(2) The Port Authority of the Cayman Islands



ReGen

The Waste-to-Energy project involves transforming Cayman’s landfill site into a waste-to-energy and recycling centre in order to create a sustainable solution for waste management in the Cayman Islands.

- **Category:** Waste management
- **Sponsor/Ministry:** CIG, Ministry of Sustainability & Climate Resiliency, Department of Environmental Health
- **Budget estimate:** confidential



Cargo Port Development

This project aims to either expand or relocate Grand Cayman’s cargo port which is expected to reach capacity within the next 10 years⁽²⁾.

- **Category:** Tourism & Transport
- **Sponsor/Ministry:** Ministry of Tourism & Ports
- **Budget estimate:** \$73m (for expansion only, per the SOC)



Submarine Cable Modernization

This project aims to modernize the Cayman Islands’ submarine cable infrastructure to ensure the Islands remain well connected to the world.

- **Category:** Communication
- **Sponsor/Ministry:** Ministry of PAHI
- **Budget estimate:** \$37m

The Cayman Islands Pipeline and horizon

East-West Arterial Road

This project aims to build a multi-lane highway that connects George Town to North Side that will reduce travel times and promote public transport.

- **Category:** Transport
- **Sponsor/Ministry:** Ministry of PAHI
- **Budget estimate:** unknown



National Weather Service Headquarters

This project aims to construct a new purpose built facility to house the Cayman National Weather Service Headquarters.

- **Category:** Communication
- **Sponsor/Ministry:** Ministry of Sustainability and Climate Resiliency
- **Budget estimate:** \$4m



Prison Estate Development

This project aims to develop a new Prison facility that consolidates the inmate groups onto one premises with a capacity of 250 prisoners. The target completion date is 2027.

- **Category:** Security
- **Sponsor/Ministry:** Ministry of Home Affairs
- **Budget estimate:** \$183m



Sunrise Facility

This project aims to develop a new facility to allow the Sunrise Adult Training Centre to expand and offer improved services to adults with disabilities.

- **Category:** Social development
- **Sponsor/Ministry:** Ministry of Investment, Innovation and Social Development
- **Budget estimate:** unknown



The Cayman Islands Pipeline and horizon



John Gray High School (Project B and C)

These projects aim to improve the Cayman Islands Further Education Centre campus and complete the new John Gray High School sports field.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Education
- **Budget estimate:** confidential



Cayman Brac High School

This project aims to relocate and develop a purpose built facility to house Layman E. Scott High School students and teachers in Cayman Brac.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Education
- **Budget estimate:** confidential



Lighthouse School

This project aims to expand the Lighthouse School that provides therapy and education for children with special educational needs.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Education
- **Budget estimate:** confidential



Edna Moyle Primary School

This project aims to build a new facility to house the Edna Moyle Primary school located in Northside.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Education
- **Budget estimate:** unknown



Clifton Hunter High School

This project aims to build a fourth academy at the new Clifton Hunter High School premises.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Education
- **Budget estimate:** unknown

The Cayman Islands Pipeline and horizon



Public Transport Plan

The objective of this project is to review options that would enhance the local transport network with the aim of implementing a national public transport bus network and expanding the existing 10 routes currently available.

- **Category:** Transportation
- **Sponsor/Ministry:** Ministry of Tourism and Ports
- **Budget estimate:** c.\$24-37m



Beach Renourishment

The project aims to restore parts of Seven Mile Beach which have been stripped of sand as a result of storm damage and erosion.

- **Category:** Environment
- **Sponsor/Ministry:** Ministry of Sustainability and Climate Resiliency
- **Budget estimate:** \$26m



Airports Development

This project aims to increase capacity of all three airports across the Cayman Islands' while improving the layout and branding of the terminals to improve efficiency and attract high net worth individuals through luxury branding.

- **Category:** Aviation
- **Sponsor/Ministry:** Cayman Islands Airports Authority/ Ministry of Tourism and Ports
- **Budget estimate:** confidential



Affordable Housing Initiative

This ongoing project aims to increase the number of affordable homes in the Cayman Islands. In the 2022 budget, CIG committed \$23m of funding to The National Housing Development Trust. The Ministry of PAHI are aiming to develop and implement an affordable housing policy and 10-year strategic plan in 2024.

- **Category:** Social housing
- **Sponsor/Ministry:** Ministry of PAHI
- **Budget estimate:** unknown

The Cayman Islands Pipeline Summary

The pipeline of infrastructure projects in the Cayman Islands, as outlined above, is estimated to have a total CAPEX requirement of:

c. \$1.2bn+
over the next 5 years...

Some of these projects such as the Airports development and affordable housing projects have a much longer time horizon (10-15 years of planned development), so depending upon when some of these projects come to fruition - and to what extent – CAPEX requirements over the longer term could be expected to exceed \$2bn.

It should also be noted that the above estimate does not consider the operating expenditure, post construction / completion of these projects.





03

The Bahamas

The Bahamas

How infrastructure is created and managed

An independent nation since 1973, the Government of The Commonwealth of The Bahamas is led by the Prime Minister together with a Cabinet of twenty-two Ministers, who are responsible for guiding and overseeing the country's governance. As the ultimate decision-making body, the Cabinet plays a crucial role in shaping infrastructure development in The Bahamas.

The key Ministries in relation to infrastructure development include:



Ministry of Works and Utilities



Ministry of Tourism, Investment and Aviation



Ministry of Health and Wellness



Ministry of Transport and Housing



Ministry of Education and Technical and Vocational Training



Ministry of Finance

The Ministry of Works and Utilities serves as the Government's advisor on infrastructure matters. The Ministry's mission is:

"To plan and produce quality services that will protect, improve, provide for and maintain the physical infrastructure and natural environment of The Bahamas for its residents and visitors by serving its client agencies."

-The Hon. Alfred Michael Sears, Q.C. serves as Minister of Works and Utilities.

Infrastructure procurement process:

The process is governed by the Public Procurement Act, 2023. Refer to the legislation at [PUBLIC PROCUREMENT ACT, 2023 \(bahamas.gov.bs\)](https://bahamas.gov.bs)

Infrastructure tenders and procurement opportunities are typically advertised through various channels to ensure transparency and maximize competition.

Common platforms include:

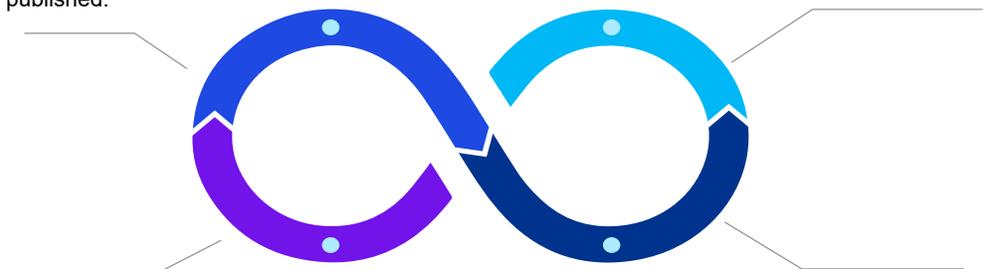


The Bahamas Government Gazette

The official government publication where public procurement notices, including infrastructure tenders, are published.

The Bahamas Government Procurement Portal

A dedicated online portal where all procurement opportunities, including infrastructure tenders, are advertised.



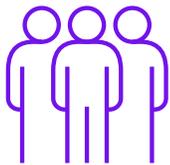
Ministry or Agency Websites

Relevant government ministries or agencies responsible for infrastructure projects may have their own websites where they publish tender notices and project details.

Local Newspapers

Infrastructure tenders are often advertised in local newspapers, particularly in sections dedicated to government tenders or public procurement.

The current state



399,314

Population as of 2022, per the country's latest census, with average annual growth of 1.1%.

8.8%

Unemployment Rate (May 2023) ⁽¹⁾



\$12.85b

2022 real GDP of The Bahamas per the National Statistical Institute, representing growth of 14.4% as the country continues to recover from the Covid-19 pandemic.



\$2.3b

2022 portion of GDP expenditure on fixed capital investments per the National Statistical Institute.

5.6%

The Bahamas inflation rate FY2022 ⁽²⁾

Key recent achievements

- \$300 Million Upgraded Nassau Cruise Port Phase 1 Opening
- Western Atlantic University School of Medicine officially opened in January 2022. (c.\$64m)

4.3%

Real GDP Growth (est. 2024) ⁽²⁾

2023-2024 budget:

The Bahamas government committed a total of \$3.1b in its 2023/24 national budget, with capital expenditure allocated at US\$364.6m. Spending is forecast to increase to \$421.6m in the 2025/26 preliminary estimates.

In communicating the budget, The Bahamas Government talked to infrastructure as a key catalyst for promoting economic development. In order to stimulate growth, the Government has committed to leverage private sector financing through PPPs as well as investing in major infrastructure programs such as:

- Roads, bridges and drains (\$44m)
- Asset acquisitions (\$35m)
- Education (\$32m)
- Public buildings (\$30m)
- Airport infrastructure (\$19m)

Refer to the 2023/24 budget [here](#).

Infrastructure gap:

In 2019, the IDB released a document titled 'Country Infrastructure Briefs' concerning the Caribbean Region. Within this publication, notable deficiencies in the infrastructure of The Bahamas were emphasized, specifically:

- **Environment:** The vulnerability of infrastructure to climate change and risk is accentuated by the nation's geography and densely concentrated population. Improving disaster preparedness and risk reduction such as setting up a natural disasters savings fund will enhance economic resilience.
- **Technology:** The island's connectivity is hindered by some of the world's highest mobile and broadband price rates. Mobile penetration rates, approximately 85%, are on par with those of developing economies.

- **Energy:** At present, renewable energy has a limited presence in The Bahamas, and the nation has set a bold target of achieving a 30% increase in renewables by 2030. To reach this goal, substantial infrastructure investments will be essential.
- **Transportation:** Many port and shipping facilities are outdated in the more remote islands and require modernization to support further development.

Refer to the full IDB report [here](#).

Sources: (1) Central Bank of The Bahamas, Monthly Economic and Financial Development, May 2023
(2) IMF World Economic Outlook

The Bahamas Pipeline and horizon

Development planning and infrastructure investment is key to the long-term success in building a sustainable island community.

The National Development Plan: Vision 2040 of The Bahamas was first introduced to the public in April 2016. It provided a comprehensive roadmap for the future development of The Bahamas and was developed in cooperation with various stakeholders including the Bahamian public, The University of The Bahamas, and The Bahamas Chamber of Commerce and Employers Confederation. The NDP aimed to guide government decision making and investment over a 25 year period. While Hurricane Dorian and the Covid-19 pandemic diverted attention away from the NDP, the government has recently committed to relaunching, completing, legislating and implementing the NDP for the benefit of the Bahamian people and economy.

In 2018, The Government of The Bahamas successfully obtained a \$30m loan from the IDB to invest in the enhancement of the public sector through digital transformation. This initiative, known as the 'Digital Transformation for Enhanced Competitiveness,' aims to bolster competitiveness and stimulate economic growth by streamlining government processes and elevating the use of technology to reduce the costs associated with doing business with the government⁽¹⁾. In order to ensure The Bahamas' infrastructure is sufficient to support the current and future population, the Bahamian Government and other private companies are working to continue development via the following planned projects:

Note the following timeline is for illustrative purposes only and the actual order and timing of projects will differ.

Source:
(1) The Government of The Bahamas, Department of Transformation & Digitization



New Hospital for GB

The new outpatient and urgent facility would replace the Rand Memorial Hospital following the devastation of Hurricane Dorian. The Government plans to complete the hospital in three phases: a 60,000 sq. ft. clinic, an inpatient surgical suite urgent care facility, and an acute care hospital with 126 beds.

- **Category:** Healthcare
- **Sponsor/Ministry:** Ministry of Health and Wellness
- **Budget estimate:** \$210m

Airport development on Family Islands

This project aims to design, build, finance, operate and/or maintain 14 family island airports through a public-private partnership.

- **Category:** Tourism & Transport
- **Sponsor/Ministry:** Ministry of Tourism, Investment and Aviation
- **Budget estimate:** \$180m

GB International Airport

This project aims to redevelop and modernize the airport in Freeport, Grand Bahama, as a green and climate-resilient airport.

- **Category:** Tourism & Transport
- **Sponsor/Ministry:** Ministry of Tourism, Investments and Aviation
- **Budget estimate:** \$400m

The Bahamas Pipeline and horizon

Renewable Energy for Southern Islands

The Government aims to reduce the carbon footprint and expand the use of renewable energy by deploying solar technology in several of the Family Islands, starting with Mayaguana, Inagua, Crooked Island, Acklins, and Long Cay.

- **Category:** Renewable Energy
- **Sponsor/Ministry:** Ministry of Works & Utilities and Inter-American Development Bank
- **Budget estimate:** \$22m



Affordable Housing

The Government aims to expand affordable housing developments throughout The Bahamas via PPPs with private lenders and developers, as well as the Government's rent-to-own program, with initial projects located on New Providence, Grand Bahama, Abaco, and Eleuthera.

- **Category:** Housing
- **Sponsor/Ministry:** Ministry of Transport and Housing
- **Budget estimate:** unknown



Container Port in Marsh Harbour, Abaco

This project aims to redevelop, manage, operate, and maintain the cargo port in Marsh Harbour, Abaco, which had been severely damaged in Hurricane Dorian, through a public-private partnership arrangement.

- **Category:** Transit
- **Sponsor/Ministry:** Ministry of Transport and Housing
- **Budget estimate:** \$60m



New Hospital for New Providence

This project involves development and construction of a new specialty facility for maternity, pediatric, and adolescent care, and will allow for the subsequent expansion of existing services at the current Princess Margaret Hospital.

- **Category:** Healthcare
- **Sponsor/Ministry:** Ministry of Health and Wellness
- **Budget estimate:** \$300m

The Bahamas Pipeline and horizon



Golden Yolk Egg Production Project

The Government's Golden Yolk initiative includes construction of climate smart grow houses across New Providence and the Family Islands, with the aim to boost national self sufficiency in egg production and create a sustainable agriculture niche.

- **Category:** Food Security
- **Sponsor/Ministry:** Ministry of Agriculture, Marine Resources and Family Islands
- **Budget estimate:** \$15m



Family Island Infrastructure Projects

These projects aim to rehabilitate and construct road infrastructure across Exuma, Cat Island, Eleuthera, and Long Island, as well as reconstruct the runway, taxiway, apron, and car park in Arthur's Town, Cat Island.

- **Category:** Transportation
- **Sponsor/Ministry:** Ministry of Works and Utilities
- **Budget estimate:** \$182m



Sustainable City

These ongoing projects aim to make New Providence a sustainable island over a 20-year period. The action plan includes:

- Making Nassau “zero waste” through urban regeneration, planning, and digital connectivity
- Overhaul public transportation
- “Health City Nassau”- improvements to water and sewerage systems
- Energy efficiency relating to street light and government buildings
- **Category:** National Development
- **Sponsor/Ministry:** Government and Private Sector
- **Budget estimate:** \$450m



The Bahamas Pipeline and horizon



National School for the Creative and Performing Arts

The Government has announced plans to construct a full-time tertiary-level institution offering multiple disciplines across the creative and performing arts as well as related technical skills.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Education
- **Budget estimate:** unknown

Expansion of sports facilities throughout Family Islands

This project aims to increase access to athletic facilities and training centers in the Family Islands. Initiatives include the construction of a 50-meter pool in Grand Bahama as well as other facilities across the archipelago.

- **Category:** Education
- **Sponsor/Ministry:** Ministry of Youth, Sports and Culture
- **Budget estimate:** \$15m



Bahamas Infrastructure Resilience Fund & Renewable Energy Fund

This project seeks to establish two new investment funds to support the mobilization of both public and private sector capital for climate-resilient public infrastructure in areas such as energy, transport, coastal defense, and food security.

- **Category:** Sustainability
- **Sponsor/Ministry:** Government of The Bahamas
- **Budget estimate:** unknown



Affordable & Sustainable Energy

The Government is pursuing a number of initiatives to make energy more affordable and sustainable in the country, including LNG power generation and utility-scale solar facilities, a 25 MW battery energy storage system, as well as ocean thermal energy conversion systems.

- **Category:** Sustainability
- **Sponsor/Ministry:** Ministry of Works and Utilities
- **Budget estimate:** unknown



The Bahamas Pipeline Summary

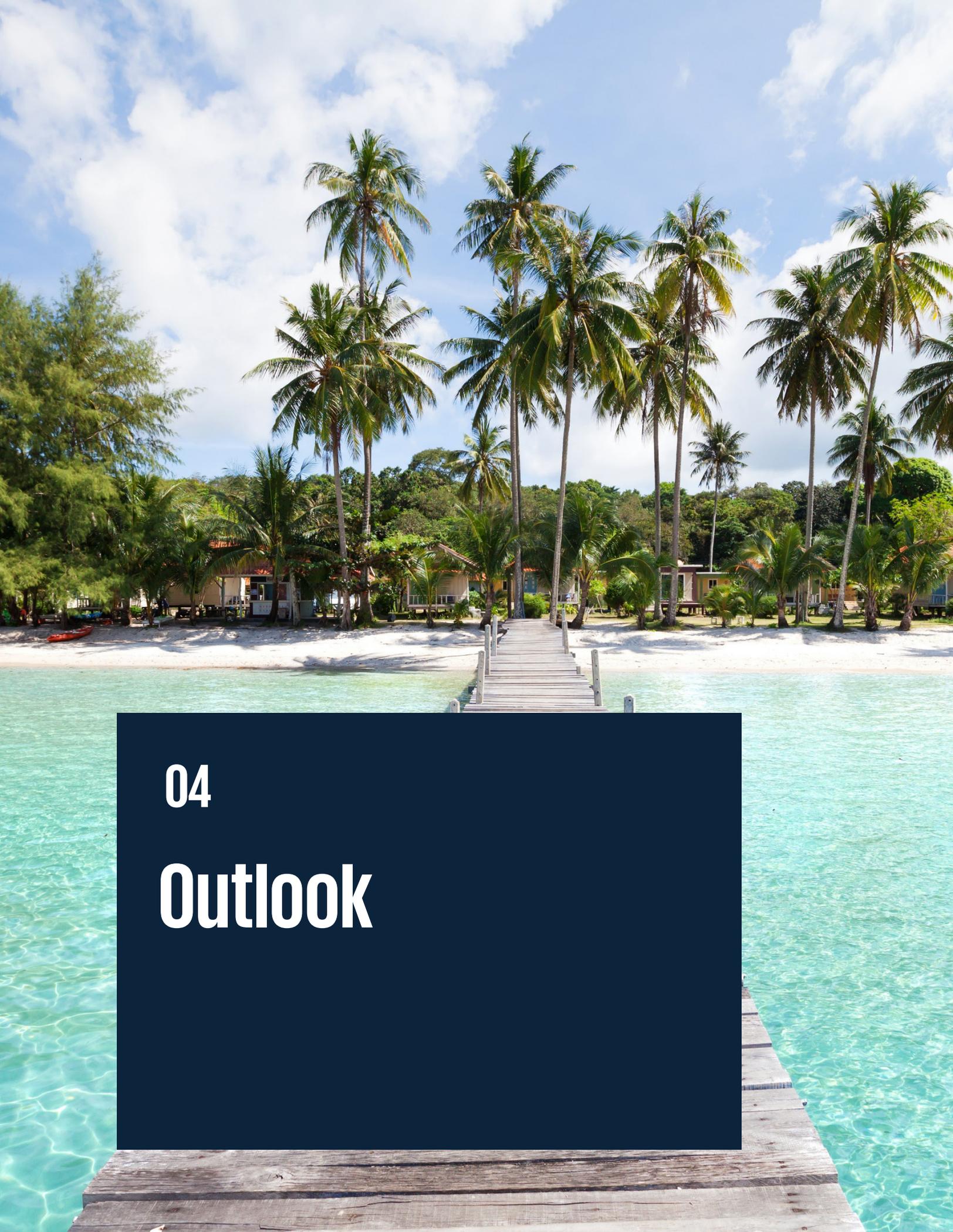
The pipeline of infrastructure projects in The Bahamas as outlined above is estimated to have a total CAPEX requirement of:

c. \$1.8bn+
over the next 5 years...

Some of these projects such as the Airports development have a much longer time horizon (10-15 years of planned development), so depending upon when some of these projects come to fruition - and to what extent – CAPEX requirements over the longer term could be expected to exceed \$3bn.

It should also be noted that the above estimate does not consider the operating expenditure, post construction / completion of these projects.





04

Outlook

Outlook

The future of infrastructure in the Cayman Islands and The Bahamas

Infrastructure development plans in the Cayman Islands and The Bahamas reveal common underlying themes of sustainability and connectivity, which in light of their key industries (financial services and tourism), is no surprise.

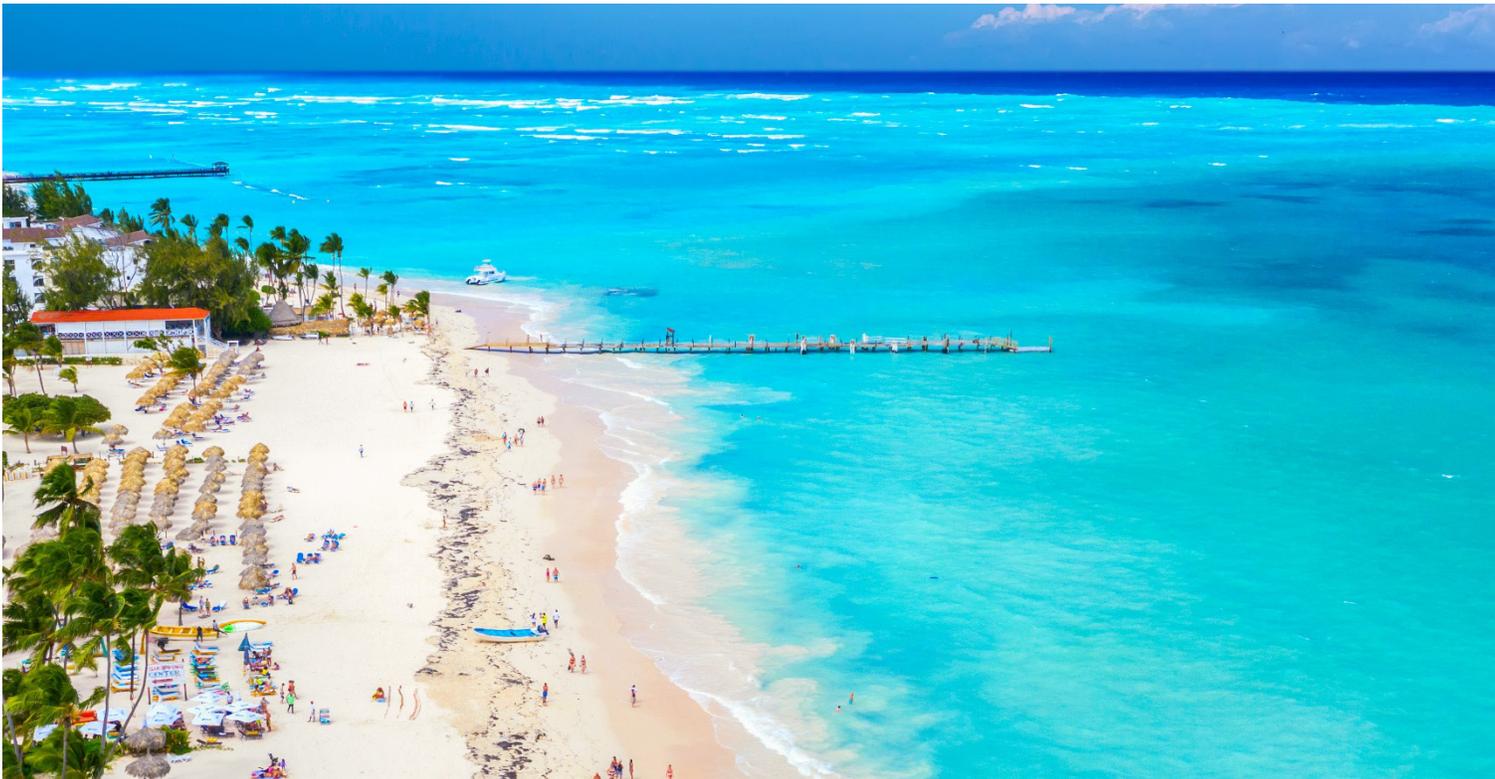
The commonalities creating these themes are also centered upon their reliance on major national infrastructure assets (such as their ports and airports), as well as their vulnerability to natural disasters and climate change.

Each of the jurisdictions does have its own current focus, however:

The Cayman Islands: is considering the long term master-planning of its airports, port and public transportation system, whilst currently undergoing an overhaul of its public schools and further education facilities. The jurisdiction is also focused on cleaning up its waste management system, increasing its affordable housing provision, and expanding its use of renewables.

The Bahamas: Similarly, The Bahamas are committed to the redevelopment and improvement of its transportation networks, encompassing roads, airports, and ports, as well as moving rapidly towards its renewable energy targets. With a particular focus on tourism and sustainability, this key infrastructure has the ability to drive economic growth and stimulate enhancement in the region.

As these projects unfold, the jurisdictions have the unique ability to learn from each others' experiences, strategies, and successes. Collaborative learning could accelerate progress and create an opportunity for them to pave the way and set an example for other island regions and beyond.





For further information, or if you would like us to explore the infrastructure outlook in your jurisdiction, please reach out to us:

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